
A BILL FOR AN ACT

RELATING TO STUDENT LOANS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 304A, Hawaii Revised Statutes, is
2 amended by adding a new subpart to part II to be appropriately
3 designated and to read as follows:

4 " . PROFESSIONAL AND DOCTORAL DEGREE LOAN FORGIVENESS

5 §304A- Professional and doctoral degree loan

6 **forgiveness program.** (a) There is established the professional
7 and doctoral degree loan forgiveness program to be administered
8 by the University of Hawaii to encourage professional and
9 doctoral degree graduates to enter public service employment.

10 (b) An individual shall meet the following conditions to
11 qualify for loan forgiveness under the professional and doctoral
12 degree loan forgiveness program:

13 (1) Earn a professional or doctoral degree from an
14 accredited University of Hawaii program;

15 (2) Be liable for the outstanding balance on a qualified
16 student loan; and



1 (3) Be employed as a full-time public service employee
2 within the State.

3 (c) Subject to available funds, the professional and
4 doctoral degree loan forgiveness program shall provide a
5 qualified individual with loan forgiveness as follows:

6 (1) The lesser of \$ or ten per cent of the total
7 amount of the qualified individual's student loans and
8 interest shall be waived each year for the qualified
9 individual's first five years of public service
10 employment; and

11 (2) The lesser of \$ or twenty-five per cent of the
12 total amount of the qualified individual's loan award
13 and interest shall be waived every year for the
14 qualified individual's sixth and seventh years of
15 public service employment.

16 (d) The University of Hawaii shall adopt rules to
17 implement the professional and doctoral degree loan forgiveness
18 program, including establishing the types of qualifying student
19 loans. The rules shall be adopted pursuant to chapter 91, but
20 shall be exempt from the public notice and public hearing
21 requirements.



1 (e) A qualified individual's loan forgiveness under the
2 professional and doctoral degree loan forgiveness program may be
3 combined with other loan forgiveness programs; provided that no
4 more than one hundred per cent of a qualified individual's
5 student loans shall be forgiven.

6 (f) Definitions. For purposes of this subpart:

7 "Professional degree" means a doctor of medicine or juris
8 doctor degree.

9 "Public service" means a federal, state, or county
10 government department, agency, or organization.

11 **§304A- Annual report.** (a) The University of Hawaii
12 shall publish a report every year commencing September 1, 2016.
13 The report shall include information regarding the operation of
14 the professional and doctoral degree loan forgiveness program,
15 including:

- 16 (1) The total number of participants in the program;
17 (2) The amount of funds applied toward loan forgiveness;
18 and
19 (3) The source of those funds.



1 (b) The annual report shall be submitted to the
2 legislature no later than twenty days prior to the convening of
3 each regular session."

4 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
5 amended by adding a new section to subpart C of part V to be
6 appropriately designated and to read as follows:

7 "§304A- Professional and doctoral degree loan
8 forgiveness program special fund. There is created in the state
9 treasury the professional and doctoral degree loan forgiveness
10 program special fund. The fund shall consist of all moneys
11 appropriated to the fund by the legislature and any gifts,
12 grants, and donations received in conjunction with the
13 administration of the professional and doctoral degree loan
14 forgiveness program established in part II. Moneys deposited in
15 the special fund shall be expended for the administration of the
16 professional and doctoral degree loan forgiveness program."

17 SECTION 3. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$ or so
19 much thereof as may be necessary for fiscal year 2015-2016 and
20 the same sum or so much thereof as may be necessary for fiscal
21 year 2016-2017 to be deposited into the professional and



1 doctoral degree loan forgiveness program special fund
2 established by this Act.

3 SECTION 4. There is appropriated out of the professional
4 and doctoral degree loan forgiveness program special fund the
5 sum of \$ or so much thereof as may be necessary for
6 fiscal year 2015-2016 and the same sum or so much thereof as may
7 be necessary for fiscal year 2016-2017 for the professional and
8 doctoral degree loan forgiveness program established by this
9 Act.

10 The sums appropriated shall be expended by the University
11 of Hawaii for the purposes of this Act.

12 SECTION 5. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$ or so
14 much thereof as may be necessary for fiscal year 2015-2016 and
15 the same sum or so much thereof as may be necessary for fiscal
16 year 2016-2017 for support staff to carry out the purposes of
17 this Act.

18 The sums appropriated shall be expended by the University
19 of Hawaii for the purposes of this Act.

20 SECTION 6. New statutory material is underscored.



1 SECTION 7. This Act shall take effect on July 1, 2015.

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INTRODUCED BY:

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JAN 23 2015



H.B. NO. 690

Report Title:

University of Hawaii; Student Loan Forgiveness; Medical School;
Law School; Doctoral Degrees; Appropriation

Description:

Establishes a program to provide loan forgiveness for medical,
law, and doctoral degree students who enter public service.
Appropriates moneys.

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